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Brookfield Real Estate Services Fund Announces Second Quarter Results and Monthly Cash Distribution

Royalties increased 19.1% and distributable cash rose 22.8%

Toronto, ON – August 6, 2010 – Brookfield Real Estate Services Fund (the “Fund”) (TSX – BRE.UN) today announced that royalties for the quarter ended June 30, 2010 were \$10.5 million, up 19.1% from the same period in 2009. Distributable cash during the quarter increased to \$7.6 million (\$0.59 per unit), up 22.8% from the second quarter of 2009. Net earnings increased 74.8% to \$2.6 million (\$0.27 per unit) from \$1.5 million (\$0.15 per unit) in the second quarter of 2009. There were marginally fewer units in the latest quarter due to the normal course issuer bid that was completed in July 2009.

The year-over-year increase in royalties, distributable cash and earnings in the second quarter reflected robust sales activity (measured as transaction dollar volume) in housing markets during the first half of the year, and continuing expansion of the Fund’s REALTOR® network. During the second quarter, fixed franchise fees, which are driven by the number of agents in the network, variable fees and premium fees which are driven by market activity, increased by 5.6%, 29.3% and 69.1%, respectively from the same period in 2009. The Fund’s performance surpassed the industry, for which unit sales activity declined approximately 2.8% year-over-year in the second quarter based on Canadian Real Estate Association (CREA) data for MLS listings, due in part to the Fund’s variable and premium fees which are recorded when a home sale closes, which typically is 45–60 days later than CREA’s sales activity data. Accordingly, the market’s stronger first quarter activity was reflected in part in the Fund’s second quarter results.

“We have seen an unusual pattern of activity in the housing market over the past 12 months, with the market experiencing a surge of activity and price increases that peaked in the fall of 2009 rather than the spring. Early 2010 has followed a more typical seasonal pattern with prices and activity peaking in the second quarter. The surge of activity in the first and second quarters of 2010 corresponds to a number of significant regulatory and financial industry changes, including an increase in interest rates in the spring, tightening of mortgage lending rules for first time home buyers and investors and the lead up to the introduction of HST in British Columbia and Ontario,” said Phil Soper, Chief Executive. “For the balance of the year, key economic indicators such as employment growth together with an increased supply of homes on the market will help ensure a fundamentally healthy housing market, with flat or slightly lower prices in most cities.” ...[Click here to view the complete release](#)

2010 Press Releases

Brookfield Real Estate Services Inc. Announces The Completion Of The Conversion Of Brookfield Real Estate Services Fund To A Corporation

Brookfield Real Estate Services Fund Announces Special Year-end Distribution of \$0.20 per unit

Brookfield Real Estate Services Fund Announces Acquisitions

Brookfield Real Estate Services Fund Announces Unitholder Approval of Conversion to a Corporation

Brookfield Real Estate Services Fund Declares Monthly Cash Distribution to Unitholders

Brookfield Real Estate Services Fund to Hold Second Quarter 2010 Results Conference Call on August 6, 2010